

# Forget revenue growth, Vodacom is Africa's biggest fintech platform

By  Lindsey Schutters

2 Feb 2024

Vodacom Group [announced a robust 26.8% revenue growth for the quarter ending 31 December 2023](#). This surge is attributed to the strategic acquisition of Vodafone Egypt and the expansion of an array of services, including financial, digital, fixed, and IoT.



Vodacom has emerged as Africa's biggest fintech platform. Source: x.com

The group, which includes Kenya's Safaricom, has reached a milestone of 200 million customers, with over 75 million utilising a financial service. With a staggering \$98.2bn processed in mobile money transactions in the quarter, Vodacom Group has emerged as Africa's largest fintech platform.

CEO Shameel Joosub expressed the group's commitment to enhancing access to smartphones, financial services, healthcare, and education across its markets. He emphasised that the group's strategy holds immense potential for economic value creation and addressing inequality.



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"During the third quarter Vodacom Group celebrated a number of key milestones including Vodacom Mozambique's 20-year anniversary, the trialling of 5G in the DRC and the announcement of Project Kuiper, a strategic collaboration with Amazon's low Earth orbit satellite (LEO) communications initiative," he said.

“Across our International business segment it was pleasing to see that our network investment contributed to a 25.4% increase in 4G sites, which ultimately supported an acceleration of local currency revenue growth.”

Joosub expressed an ambition to combine network investment with a focus on digital inclusion that aims to get more handsets to market and expand rural coverage to unlock further growth opportunities across the carrier’s eight markets.

## New services

Vodacom’s new services, including financial and digital services, fixed and IoT, are on a promising trajectory, with their contribution to the revenue exceeding 20% for the first time, equating to R6.2bn.

The largest component of these new services is financial services, which grew by 31.0% to R3.4bn in the quarter, largely due to the scaling of new products and a strong customer growth of 12.0%.

Surprisingly it retains its status as Africa’s largest mobile money platform, processing close to \$100bn in transactions in the quarter. The roll-out of their super-app across the footprint remains a major focus, with VodaPay in South Africa reaching 4.8 million registered users.



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Looking ahead, the group is fully aware of the financial constraints on customers due to the prohibitive cost of living and is committed to delivering innovations that enhance customer value.

They are also mindful of the evolving macro-economic environment, including foreign exchange rate risk, and expect their business model to continue demonstrating resilience.

## ABOUT LINDSEY SCHUTTERS

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